The Self-Employed Green Pension Playbook

No employer, no auto-enrolment, no problem — how to start a green pension when you work for yourself.

The gap nobody talks about

Auto-enrolment transformed pensions for employees — but it skips the self-employed entirely. The result: only about **20% of self-employed people pay into a pension, versus 80% of employees** (ONS). With roughly 4 million self-employed workers in the UK, that's millions with little or no private pension — and no default fund quietly investing for them. The upside: when you *do* start one, you choose where the money goes from day one, so going green is the easy part.

Step 1 — Open a personal pension or SIPP

With no employer scheme, you set up your own. Three routes, easiest first:

- **App-based personal pensions (simplest).** PensionBee and Penfold let you open and fund a pension in minutes from your phone, set up regular or one-off contributions, and pick a sustainable plan in-app. Nest is also open to the self-employed.
- **A SIPP (most control).** A self-invested personal pension (via AJ Bell, Hargreaves Lansdown, Vanguard, etc.) lets you hand-pick green funds yourself — including the genuinely deep-green ones like Royal London Sustainable, Liontrust SF or specialist environmental funds.
- **A workplace-style master trust.** Nest accepts self-employed members and offers the low-cost Nest Ethical Fund (0.3%).

Step 2 — Pick a credibly green option

Aim for 'credible' first: a fund that actually excludes fossil-fuel producers. Convenient choices: the **PensionBee Climate Plan** (fossil-fuel-free, ~0.75%), **Nest Ethical Fund** (0.3%), or — in a SIPP — a Royal London Sustainable or Liontrust Sustainable Future fund. See the Top-20 Playbook and the Compare-the-Market spreadsheet for the full rundown of what's genuinely green vs greenwashing.

Step 3 — Claim your tax relief (free money)

This is the self-employed person's version of the employer top-up: the government adds tax relief to your contributions — **20% basic-rate automatically, with 40%/45% claimable via your tax return**. Pay in £80 and the basic-rate top-up makes it £100. It softens the sting of having no employer match.

Don't forget old pots

If you were employed before going solo, you likely have dormant workplace pensions sitting in fossil-heavy defaults. Use the free GOV.UK Pension Tracing Service to find them, then consolidate into your green plan (watch for exit fees and any guarantees first).

General information, not financial advice. Self-employed contribution gap: ONS Saving for Retirement in Great Britain. Charges/plans are point-in-time — check the live provider pages. Tax treatment depends on your circumstances and can change.